

**LOK SABHA
UNSTARRED QUESTION NO. 1982
TO BE ANSWERED ON 09th DECEMBER, 2021**

Policy Reforms for Hydro Carbon Sector

1982. SHRI PATEL HASMUKHBHAI SOMABHAI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

Will the Minister of PETROLEUM & NATURAL GAS be pleased to state:

- (a) whether there is a need to bring policy reforms to make hydro carbon sector conducive for foreign players to invest in this development;
- (b) if so, the steps taken by the Government in this regard; and
- (c) whether the Government proposes to bring reforms in the oil and energy sector such as opening of retail outlets and exploration licensing policy to make the country the new destination for global energy players and if so, the details thereof?

ANSWER

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री रामेश्वर तेली)**

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI RAMESWAR TELI)**

(a) to (c): Policy reforms is a continuous process based on feedback from various stakeholders, including investors and changing dynamics of Hydrocarbon industry. Government has taken pathbreaking policy initiatives in the direction of making Hydrocarbon sector attractive for domestic and foreign investors by bringing reforms in the oil and energy sector such as opening of retail outlets and exploration licensing policy to make the country the new destination for global energy players. A list of major reforms is annexed as Annuxure.

Annexure

Annexure referred to in parts (a) to (c) of the Lok Sabha Unstarred Question No 1982 raised by Shri PATEL HASMAUKHBHAI SOMABHAI to be answered on 09th December 2021 regarding “Policy Reforms for Hydrocarbon Sector”.

List of Major reforms introduced by the Government to enhance exploration and production activities in the country:

- Discovered Small Field Policy, 2015.
- Hydrocarbon Exploration and Licensing Policy, 2016.
- Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- Policy for early monetization of Coal Bed Methane 2017
- Setting up of National Data Repository, 2017.
- Appraisal of Unappraised areas in Sedimentary Basins 2017
- Re-assessment of Hydrocarbon Resources 2017
- Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- Policy framework for Exploration and exploitation of Coal Bed Methane (CBM) from areas under Coal Mining Lease allotted to Coal India Limited (CIL) and its subsidiaries 2018
- Policy Framework for Streamlining working of Production Sharing Contracts in respect of Pre-NELP and NELP Blocks 2018
- Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs) Coal Bed Methane (CBM) Contracts and Nomination Fields 2018
- Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019
- Natural Gas Marketing Reforms 2020: With the objective of increasing domestic production of natural gas, to move towards gas-based economy, bring uniformity in process of discovery of market prices of gas, and to promote Ease of doing business.
- Revision in the guidelines for authorization to market transportation fuels which would promote ease of doing business and boost private players to invest in retail sector. The salient features of the revised guidelines are as under:
 - The resolution applies for marketing of only Motor Spirit and High Speed Diesel for “Bulk” and “Retail” business.

- An entity desirous of seeking authorisation for either retail or bulk must have a minimum net worth of Rs 250 Crore at the time of making application. In case authorization is required for both retail and bulk, minimum net worth will be Rs 500 crore.
- Separate applications to be made for retail and Bulk business.
- Non refundable application fee on Rs 25 lakh is application.
- For retail authorisation, an entity have to set up at least 100 retail outlets, out of which 5% should be in the notified remote areas within 5 years of the grant of authorization.
- In addition to conventional fuels, the authorized entities are required to install facilities for marketing at least one new generation alternate fuels at their proposed retail outlet within 3 years of operationalization of the said outlet.
